**Export of Surplus Sugar**

*152. DR. T. SUBBARAMI REDDY:
SHRI MOOLCHAND MEENA:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to State:

(a) whether the Standing Committee on Food, Civil Supplies and Public Distribution has directed Government to increase the export of sugar as more than 115 lakh tonnes of sugar was lying in various godowns and warehouses in the country;

(b) whether availability of sugar during the last financial year was more than 270 lakh tonnes, out of which the internal consumption was only to the tune of about 160 lakh tonnes;

(c) if so, what were the reasons for not exporting the extra sugar; and

(d) the steps being taken to implement the suggestions?

THE MINISTER OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI SHARAD YADAV): (a) Yes, Sir, The Committee has recommended that the Government should encourage export of sugar even by amending the Sugar Development Fund Act, 1982 and thereby giving relief to sugar mill owners.

(b) The sugar season is reckoned from October to September. During the sugar season 2000-2001, with the carry over stock of 93.40 lakh tonnes and the sugar production of 185.10 lakh tonnes, the total availability of sugar in the country was 278.50 lakh tonnes, as against the internal consumption of 162.00 lakh tonnes. In additions, about 9.87 lakh tonnes of sugar was exported. Thus at the end of the season *i.e.* 30th September, 2001, the closing stock of sugar was around 106.63 lakh tonnes.

(c) and (d) The export of sugar is undertaken under Open General Licence (OGL) by various private parties and Public Sector Undertakings etc. As reported by DGCI&S, Kolkata, during the sugar season 2001-2002 (upto July 2002), a quantity of about 8.91 lakh tonnes has already been exported. However, as per information received from the trade circles, the total export of sugar during the sugar season 2001-2002 was 9.77 lakh tonnes (provisional).

In order to boost the export of sugar, the Government has taken the following measures:

(i) Sugar meant for export has been exempted from the levy obligation.

(ii) The quantity of sugar released for export is treated as advance free-sale release to be adjusted in the free-sale stocks of the sugar factories after a period of 18 months.

(iii) Duty Entitlement Pass Book (DEPB) at the rate of 4% of the FOB value of export of sugar has been allowed.

(iv) Hitherto only mill white sugar was being exported. It has been clarified that in addition to mill white sugar the sugar mills/ exporters can also export raw sugar under the present Export Import (EXIM) policy.

(v) The Government has amended the Sugar Development Fund Act, 1982 so as to provide for defraying the expenditure from the Sugar Development Fund on internal transport & freight charges to the sugar factories on the export shipment of sugar. This amendment has come into force with effect from 21.6.2002 and necessary rules have also been notified.

**Discussion on bilateral issue in SAARC**

*153. SHRI VIJAY J. DARDA: Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) whether Government are aware that regional organizations like SAARC, instead of focusing attention on regional issues as per their original charter, are raking up bilateral issues, and this its existence for 20 years has not contributed significantly towards meaningful regional co-operation;

(b) if so, whether Government would ensure that the ensuing SAARC meet in Pakistan in January, 2003 does not discuss any bilateral issues and a real beginning is made towards regional co-operation as per its original charter?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI DIGVIJAY SINGH): (a) SAARC was established in December 1985, and is now 17 years old. Article X (2) of the SAARC Charter expressly excludes bilateral and contentious issues from its